

Exhibit 13

30(b)(6) Deposition of Kirk D. Hendrick
on behalf of Zuffa, LLC
(November 30, 2016) (excerpted)

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

CUNG LE; NATHAN QUARRY, JON)	
FITCH, on behalf of)	
themselves and all others)	
similarly situated,)	
)	
Plaintiffs,)	
)	
vs.)	Case No.
)	2:15-cv-01045-RFB-(PAL)
)	
ZUFFA, LLC, d/b/a Ultimate)	
Fighting Championship and)	
UFC,)	
)	
Defendant.)	
_____)	

CONFIDENTIAL

VIDEO RECORDED 30(b)(6) DEPOSITION OF ZUFFA, LLC

BY KIRK D. HENDRICK

NOVEMBER 30, 2016

LAS VEGAS, NEVADA

9:14 a.m.

Reported by:
KENDALL D. HEATH
Job No: 47773-A

KIRK D. HENDRICK - CONFIDENTIAL

<p style="text-align: right;">362</p> <p>1 BY MR. CRAMER:</p> <p>2 Q. All right. You can put the document</p> <p>3 aside. I'm just going to ask you some questions</p> <p>4 and you can tell me whether Zuffa agrees or</p> <p>5 disagrees with the following positions.</p> <p>6 As of May 2007, was it Zuffa's position</p> <p>7 that the UFC's brand of MMA was highly</p> <p>8 distinguishable from competitors in part because it</p> <p>9 had the majority of top fighters in the world under</p> <p>10 contract.</p> <p>11 MS. GRIGSBY: Objection, scope.</p> <p>12 THE WITNESS: In May of 2007 -- say it to</p> <p>13 me again.</p> <p>14 BY MR. CRAMER:</p> <p>15 Q. Yeah. Would Zuffa agree with the</p> <p>16 following position, that the UFC's brand of MMA is</p> <p>17 highly distinguishable from competitors in part</p> <p>18 because it had the majority of fighters under</p> <p>19 contract -- top fighters under contract?</p> <p>20 MS. GRIGSBY: Objection, scope.</p> <p>21 THE WITNESS: I think that was our goal</p> <p>22 to be sure it was highly distinguishable. That's</p> <p>23 what we were talking about yesterday about</p> <p>24 investing in the brand, investing in the sport.</p> <p>25 Having top athletes in the UFC, I think, is an</p>	<p style="text-align: right;">364</p> <p>1 MS. GRIGSBY: Again, objection, scope.</p> <p>2 So Topic 7 specifically notes the clauses. This</p> <p>3 isn't -- this question is unrelated to the effect</p> <p>4 of the exclusivity clause or any of the other</p> <p>5 clauses. You're asking a very general question</p> <p>6 about consolidation.</p> <p>7 BY MR. CRAMER:</p> <p>8 Q. All right. I'll ask a more specific</p> <p>9 question.</p> <p>10 Was it Zuffa's position in May of 2007 or</p> <p>11 at any time that the UFC was able to secure</p> <p>12 long-term exclusive contracts with the world's best</p> <p>13 MMA fighters?</p> <p>14 A. You've got a pretty big time period</p> <p>15 there. So you're saying 2007 or any time --</p> <p>16 Q. Yeah.</p> <p>17 A. -- is it Zuffa's position -- say it to me</p> <p>18 again.</p> <p>19 Q. That it was able to secure long-term</p> <p>20 exclusive contracts with the world's best MMA</p> <p>21 fighters?</p> <p>22 A. I don't know if that's possible. I don't</p> <p>23 think I could answer that sitting here. With the</p> <p>24 amount of fighters that come and go, and you're</p> <p>25 saying at any time in 15 years, did we have -- what</p>
<p style="text-align: right;">363</p> <p>1 important aspect of being able to promote fights</p> <p>2 that fans want to see.</p> <p>3 BY MR. CRAMER:</p> <p>4 Q. Can you tell me whether or not it is</p> <p>5 Zuffa's position, or was as of May 2007, that the</p> <p>6 UFC was closely approaching the position of having</p> <p>7 branded a sport on the level of the NFL or Nascar,</p> <p>8 but with stronger international appeal?</p> <p>9 MS. GRIGSBY: Objection, scope. This</p> <p>10 actually has no relation to fighter contracts.</p> <p>11 BY MR. CRAMER:</p> <p>12 Q. All right. I'll withdraw that question</p> <p>13 then.</p> <p>14 Can you tell me whether or not it was</p> <p>15 Zuffa's position in May 2007 or any time that Zuffa</p> <p>16 had been able to consolidate the vast majority of</p> <p>17 the world's top fighters under one umbrella?</p> <p>18 MS. GRIGSBY: Objection, scope. How does</p> <p>19 that relate to fighter contracts?</p> <p>20 MR. CRAMER: Contracts.</p> <p>21 Q. By -- by signing up the majority of the</p> <p>22 top MMA fighters, was it Zuffa's position in May</p> <p>23 2007 or any time that -- that by doing that, it had</p> <p>24 been able to consolidate the vast majority of the</p> <p>25 world's top fighter under one umbrella?</p>	<p style="text-align: right;">365</p> <p>1 was the phrase?</p> <p>2 Q. Where -- was the UFC able to secure</p> <p>3 long-term exclusive contracts with the world's best</p> <p>4 MMA fighters in May 2007 or at any time?</p> <p>5 A. You keep saying May two thousand -- or</p> <p>6 any time, and I just don't know.</p> <p>7 Q. Let's ask -- May 2007 to May -- was it</p> <p>8 true in May of 2007 that the UFC had been able to</p> <p>9 secure long-term exclusive contracts with the</p> <p>10 world's best MMA fighters?</p> <p>11 A. Without knowing the number, did we have a</p> <p>12 lot of world's best fighters in the UFC in May of</p> <p>13 2007? Yes, I would say we did. Did we have all of</p> <p>14 them? No, I'm sure we didn't.</p> <p>15 Q. But the UFC had the vast majority of top</p> <p>16 fighters; correct?</p> <p>17 A. That's what you're saying that document</p> <p>18 says. I don't know. I'd have to go back and look</p> <p>19 in 2007 and see who was in the UFC, who was not in</p> <p>20 the UFC.</p> <p>21 Q. Can you tell me whether it was Zuffa's</p> <p>22 position in May of 2007 or at any time that it</p> <p>23 believed that the UFC had attracted the best MMA</p> <p>24 athletes?</p> <p>25 A. Kind of goes back to my previous answer.</p>

21 (Pages 362 to 365)

KIRK D. HENDRICK - CONFIDENTIAL

<p style="text-align: right;">366</p> <p>1 May 2007 or any time. That's a long --</p> <p>2 Q. Let's ask about May 2007.</p> <p>3 A. In May 2007, was it UFC's belief that it</p> <p>4 attracted -- what did you say?</p> <p>5 Q. The best MMA athletes.</p> <p>6 A. I think we certainly had a number of the</p> <p>7 best MMA athletes in May of 2007. Again, do I know</p> <p>8 if we had all of them? Do I know if we had --</p> <p>9 didn't have some of them? I just have to go back.</p> <p>10 You'd have to look at media articles. You'd have</p> <p>11 to look at what the fans think. There's some that</p> <p>12 probably were in the UFC that were some of the</p> <p>13 best, I would say that.</p> <p>14 Q. Was it Zuffa's position in May 2007 that</p> <p>15 UFC athlete contracts are designed to retain talent</p> <p>16 within the company?</p> <p>17 A. The contract designed to retain talent?</p> <p>18 Q. Yeah.</p> <p>19 A. Yeah. During the -- during the term of</p> <p>20 the agreement, that's what we've been talking about</p> <p>21 for the last day or so, that Zuffa has to have the</p> <p>22 ability to, if you sign up and you want to be</p> <p>23 promoted by the UFC, you got to be in that time</p> <p>24 period, available and able to compete.</p> <p>25 Q. Was it Zuffa's position in May 2007 that</p>	<p style="text-align: right;">368</p> <p>1 an ability to not have them -- have mismatches in</p> <p>2 the UFC.</p> <p>3 You wouldn't want to have somebody who is</p> <p>4 really good and somebody who is really bad. That's</p> <p>5 not good for the consumers, and I don't think it's</p> <p>6 good for the sport.</p> <p>7 Q. Was it the UFC's position in May 2007</p> <p>8 that the UFC typically has the right to retain</p> <p>9 athletes who hold a championship title in any</p> <p>10 weight class at the expiration of their contract</p> <p>11 for one additional year, thereby ensuring that the</p> <p>12 company continues to benefit from such a fighter's</p> <p>13 potential popularity through additional promotions</p> <p>14 and events?</p> <p>15 MS. GRIGSBY: Yeah. Objection again.</p> <p>16 This is -- you're just reading Deutsche Bank's</p> <p>17 language and this wasn't drafted by Zuffa.</p> <p>18 MR. CRAMER: I'm asking whether it's</p> <p>19 Zuffa's position in May of 2007.</p> <p>20 THE WITNESS: Can you read it to me</p> <p>21 again? Sorry.</p> <p>22 BY MR. CRAMER:</p> <p>23 Q. Sure. Was it Zuffa's position in May</p> <p>24 2007 that the UFC typically has the right to retain</p> <p>25 athletes who hold a championship title in any</p>
<p style="text-align: right;">367</p> <p>1 most of its contracts are one or two years in</p> <p>2 length with an exclusivity clause that prevents</p> <p>3 fighters from moving to different MMA organizations</p> <p>4 while under contract -- while under contract, and</p> <p>5 with negotiation and matching rights after the</p> <p>6 agreement expires?</p> <p>7 A. That's what we were talking about earlier</p> <p>8 today is that you asked me about one or two years.</p> <p>9 Without being specific, some -- some are shorter,</p> <p>10 some are longer.</p> <p>11 And if the clause, as you asked me there,</p> <p>12 without agreeing to all of them, it sounds like</p> <p>13 some of the clauses we talked about earlier. So if</p> <p>14 those were clauses in the agreements that the</p> <p>15 fighters negotiated and contracted with, I would</p> <p>16 say that's included.</p> <p>17 Q. Was it Zuffa's position in May 2007 that</p> <p>18 its contracts typically give the UFC the right to</p> <p>19 release athletes after one or two fights on the</p> <p>20 basis of poor performance, providing the company</p> <p>21 increased flexibility?</p> <p>22 A. That's what we were talking about</p> <p>23 earlier. If -- if an athlete wasn't able to</p> <p>24 compete at the level of what UFC event competition</p> <p>25 is and UFC quality of fights, then there has to be</p>	<p style="text-align: right;">369</p> <p>1 weight class at the expiration of their contract</p> <p>2 for one additional year, thereby ensuring that the</p> <p>3 company continues to benefit from such a fighter's</p> <p>4 potential popularity through additional promotions</p> <p>5 and events?</p> <p>6 A. So, again, back to the clause we've</p> <p>7 talked about over the last day and a half, the</p> <p>8 championship clause, agreeing to everything, the</p> <p>9 wording that's in that, that championship clause is</p> <p>10 in there.</p> <p>11 And I think you talked about the</p> <p>12 popularity, but we've also talked about other</p> <p>13 reasons why the championship clause is in there,</p> <p>14 the investment that Zuffa's made in that athlete to</p> <p>15 get them to that point in their career. So, yeah,</p> <p>16 if you're talking about the championship clause,</p> <p>17 that's in the agreement.</p> <p>18 Q. Was it Zuffa's position in May 2007 that</p> <p>19 the UFC's complete control and ownership of its</p> <p>20 content also discourages competing organizations</p> <p>21 from soliciting UFC fighters by restricting their</p> <p>22 ability to market prior fights for promotional</p> <p>23 purposes?</p> <p>24 MS. GRIGSBY: Objection, scope.</p> <p>25 ///</p>

22 (Pages 366 to 369)

KIRK D. HENDRICK - CONFIDENTIAL

<p style="text-align: right;">370</p> <p>1 BY MR. CRAMER:</p> <p>2 Q. Is that the effects of the UFC's</p> <p>3 exclusivity rights on rival promotions?</p> <p>4 MS. GRIGSBY: Which clause are you</p> <p>5 referring to, because --</p> <p>6 MR. CRAMER: Well, there's several. The</p> <p>7 exclusivity clause, which is in 7 of the 30(b)(6)</p> <p>8 notice; the ancillary rights clauses in 10. I</p> <p>9 think those would be the two that I would be</p> <p>10 referring to.</p> <p>11 THE WITNESS: Can you read it to me</p> <p>12 again?</p> <p>13 BY MR. CRAMER:</p> <p>14 Q. Sure. Was it the UFC's position --</p> <p>15 (Court reporter asks for clarification.)</p> <p>16 MR. CRAMER: Yes, I apologize.</p> <p>17 Q. Was it Zuffa's position in May 2007 that</p> <p>18 the UFC's complete control and ownership of its</p> <p>19 content also discourages competing organizations</p> <p>20 from soliciting UFC fighters by restricting their</p> <p>21 ability to market prior fights for promotional</p> <p>22 purposes?</p> <p>23 MS. GRIGSBY: Objection to form.</p> <p>24 THE WITNESS: Yeah. I'm not sure what</p> <p>25 that's saying.</p>	<p style="text-align: right;">372</p> <p>1 from a previous fight.</p> <p>2 Q. Well, it's in 3.4G, I believe, of UFC's</p> <p>3 contracts.</p> <p>4 A. We talked about that. It's in the</p> <p>5 agreement, but I told you that's just not something</p> <p>6 that happens.</p> <p>7 Q. So it was not Zuffa's position in May of</p> <p>8 2007 that the UFC's complete ownership and control</p> <p>9 of its content discourages competing organizations</p> <p>10 from soliciting UFC fighters by restricting their</p> <p>11 ability to market prior fights for promotional</p> <p>12 purposes?</p> <p>13 A. I don't know that when -- you broke it</p> <p>14 down in the part that UFC owns it, but the --</p> <p>15 whether or not it discourages that, I don't know if</p> <p>16 that's something that Deutsche Bank was</p> <p>17 interpreting. I can't sit here and testify that</p> <p>18 that was somehow discouraging somebody else.</p> <p>19 Q. Deutsche Bank got it wrong, is that your</p> <p>20 view?</p> <p>21 A. No, I'm not saying they got it wrong, I'm</p> <p>22 just saying that I don't understand why they're</p> <p>23 saying that discouraged others. I don't understand</p> <p>24 the correlations as I sit here.</p> <p>25 Q. So is it your view that after the May</p>
<p style="text-align: right;">371</p> <p>1 BY MR. CRAMER:</p> <p>2 Q. Well, you would agree with me that in May</p> <p>3 2007 through the contractual provisions or some of</p> <p>4 them that we've talked about in this deposition,</p> <p>5 the UFC had complete control and ownership of its</p> <p>6 content; correct?</p> <p>7 A. It owns the content that's created from</p> <p>8 the events, yes.</p> <p>9 Q. And would you also agree with me that</p> <p>10 that ownership of the content discourages competing</p> <p>11 MMA organizations from soliciting UFC fighters by</p> <p>12 restricting their ability to market prior fights</p> <p>13 for promotional purposes?</p> <p>14 A. That's the part I'm not sure I</p> <p>15 understand.</p> <p>16 Q. So I believe you testified yesterday that</p> <p>17 one of the reasons why Zuffa asks fighters for the</p> <p>18 ability to have clips of their prior fights before</p> <p>19 they were in the UFC is because it's important for</p> <p>20 Zuffa to be able to promote a fight with a previous</p> <p>21 clip of that fighter. Do you recall that</p> <p>22 testimony?</p> <p>23 A. No. I don't believe I testified to that</p> <p>24 at all. I think I told you that I don't recall any</p> <p>25 time that we've actually asked a fighter for a clip</p>	<p style="text-align: right;">373</p> <p>1 2007 version of this Confidential Information</p> <p>2 Memorandum, Zuffa told Deutsche Bank they needed to</p> <p>3 change that provision because it wasn't accurate or</p> <p>4 not comprehensible?</p> <p>5 MS. GRIGSBY: Objection. Are you asking</p> <p>6 him in his individual capacity --</p> <p>7 MR. CRAMER: No.</p> <p>8 MS. GRIGSBY: Didn't you just say, isn't</p> <p>9 that your view?</p> <p>10 MR. CRAMER: Zuffa's view.</p> <p>11 THE WITNESS: Is it Zuffa's view that we</p> <p>12 told them to change that? Is that your question?</p> <p>13 BY MR. CRAMER:</p> <p>14 Q. Yeah. Yeah. Is it Zuffa's view that</p> <p>15 that's incomprehensible?</p> <p>16 A. I don't know if that occurred or not.</p> <p>17 Q. Is it Zuffa's position that only one</p> <p>18 marquee fighter has ever defected from the UFC to a</p> <p>19 competing MMA organization, and that individual</p> <p>20 later returned to compete in the UFC as of May</p> <p>21 2007?</p> <p>22 A. As of May 2007, only one athlete,</p> <p>23 "defected" was the word --</p> <p>24 Q. Yes.</p> <p>25 A. -- and came back? That was a long time</p>

23 (Pages 370 to 373)

KIRK D. HENDRICK - CONFIDENTIAL

<p style="text-align: right;">374</p> <p>1 ago. I don't know if that was the case. Possible.</p> <p>2 Q. Was it Zuffa's position in October 2009</p> <p>3 that it had the vast majority of top fighters under</p> <p>4 multi-fight exclusive contracts?</p> <p>5 A. That's what we talked about earlier.</p> <p>6 Vast majority, I'm not sure we defined that. Top</p> <p>7 fighters, I would certainly agree that in -- what</p> <p>8 month did you say of 2009?</p> <p>9 Q. October of 2009.</p> <p>10 A. October 2009. We had a lot of very good</p> <p>11 quality athletes competing in the UFC in October of</p> <p>12 2009.</p> <p>13 Q. So just I need a yes or no. Was it or</p> <p>14 was it not Zuffa's position in October of 2009 that</p> <p>15 the vast majority of top fighters were under</p> <p>16 multi-fight exclusive contract?</p> <p>17 MS. GRIGSBY: Objection, asked and</p> <p>18 answered.</p> <p>19 THE WITNESS: Without going back again</p> <p>20 and looking at who was in and who was not in the</p> <p>21 UFC, if that statement is saying that the vast</p> <p>22 majority of them were in the UFC at that time, I'm</p> <p>23 not disputing that.</p> <p>24 BY MR. CRAMER:</p> <p>25 Q. And would you -- would Zuffa also agree</p>	<p style="text-align: right;">376</p> <p>1 that question.</p> <p>2 Q. Was it Zuffa's position in October of</p> <p>3 2009 that the company had over 200 fighters under</p> <p>4 contract, excluding WEC and Pride, and continually</p> <p>5 sought to add the best MMA fighters to its</p> <p>6 franchise for both internal search efforts and from</p> <p>7 competing organizations?</p> <p>8 A. Yeah. I wouldn't -- I wouldn't know the</p> <p>9 exact number, but I believe that number is probably</p> <p>10 accurate, and it probably was the right number to</p> <p>11 put on the number of events we were doing at that</p> <p>12 time. And would we be looking for other</p> <p>13 up-and-coming fighters to promote? Yeah. We're in</p> <p>14 the promotion business.</p> <p>15 Q. Was it Zuffa's position in October of</p> <p>16 2009 that the UFC athlete contracts are designed to</p> <p>17 retain talent within the company?</p> <p>18 A. Yeah. That's the same question we talked</p> <p>19 about earlier, that you have to know that they're</p> <p>20 ready, willing and able to fight during the time</p> <p>21 period we say we are going to promote them.</p> <p>22 So you have to have an agreement that</p> <p>23 says this is how long we have and how many fights</p> <p>24 you're going to perform in.</p> <p>25 Q. Thank you. Was it Zuffa's position in</p>
<p style="text-align: right;">375</p> <p>1 with me that having the vast majority of top</p> <p>2 fighters under multi-fight exclusive contracts</p> <p>3 created a barrier to entry for rival MMA promotions</p> <p>4 trying to compete with Zuffa?</p> <p>5 A. I don't know if I could say that it was a</p> <p>6 barrier to entry, especially in that time, because</p> <p>7 I don't -- I'd have to go back and see who else was</p> <p>8 out there. But there's a lot of fighters inside</p> <p>9 the UFC and outside the UFC, depending on the time</p> <p>10 you'd be talking about.</p> <p>11 Q. Was it Zuffa's position in October of</p> <p>12 2009 that its library of past events allows the</p> <p>13 company to more effectively market upcoming fights,</p> <p>14 a benefit that competing promoters often lack?</p> <p>15 A. Yeah. The promoters wouldn't have the</p> <p>16 UFC library. So does that help the UFC promote its</p> <p>17 next fight by having its prior fight? Yes, I think</p> <p>18 that's accurate.</p> <p>19 Q. Was it Zuffa's position in October of</p> <p>20 2009 that it had the ability to attract the world's</p> <p>21 most talented MMA fighters?</p> <p>22 MS. GRIGSBY: Objection, scope. How does</p> <p>23 this relate to any of the topics or the contract</p> <p>24 clauses?</p> <p>25 MR. CRAMER: All right. I'll withdraw</p>	<p style="text-align: right;">377</p> <p>1 October of 2009 that most of its contracts are two</p> <p>2 years in length with an exclusivity clause that</p> <p>3 prevents fighters from moving to different MMA</p> <p>4 organizations while under contract and with</p> <p>5 negotiation and matching rights after the agreement</p> <p>6 expires?</p> <p>7 A. It's the same question we talked about</p> <p>8 earlier that, you know, specific clauses are in the</p> <p>9 agreement for specific business reasons, and I</p> <p>10 think you said two years.</p> <p>11 Again, I would have to check, but I have</p> <p>12 no reason to believe that two years wasn't probably</p> <p>13 the approximate amount of time in 2009.</p> <p>14 Q. Was it Zuffa's position also in October</p> <p>15 of 2009 that its contracts typically give the UFC</p> <p>16 the right to release athletes after one or two</p> <p>17 fights on the basis of poor performance, providing</p> <p>18 the company increased flexibility?</p> <p>19 A. That was a long -- long sentence. Can</p> <p>20 you say that to me again?</p> <p>21 Q. Yeah. Was it Zuffa's position --</p> <p>22 A. Do you want me to read these or --</p> <p>23 Q. No, it's okay.</p> <p>24 A. Okay. Go ahead.</p> <p>25 Q. Was it Zuffa's position in October of</p>

24 (Pages 374 to 377)

KIRK D. HENDRICK - CONFIDENTIAL

<p style="text-align: right;">378</p> <p>1 2009 that its contracts typically give the UFC the 2 right to release athletes after one or two fights 3 on the basis of poor performance, providing the 4 company increased flexibility? 5 MS. GRIGSBY: Again, Counsel, if you 6 really are reading these long clauses, I think you 7 should give the benefit of the -- the witness the 8 benefit of reviewing the document. That, again, 9 we'll note for the record was prepared by a 10 third -- 11 (Court reporter asks for clarification.) 12 MS. GRIGSBY: A third party. 13 BY MR. CRAMER: 14 Q. I'm asking whether it was Zuffa's 15 position. You can answer or not. 16 A. I don't think that specifically lays it 17 out. I think it said on poor performance, and I 18 think you asked me this question earlier. 19 We actually referred to the clause that 20 talks about if an athlete lost a bout was the one 21 that you questioned me about earlier. 22 Q. Yeah. 23 A. So it's not just poor performance. Guys 24 have poor performances all the time, but it's about 25 could they not compete at the UFC level of</p>	<p style="text-align: right;">380</p> <p>1 minutes ago, sounds like. I'm not sure it's the 2 exact same sentence, but again, that phrase doesn't 3 change the contract provision, right, but I think 4 that's what it's trying to capture. 5 Not being the author of that, I think 6 it's trying to say, if an athlete fought their last 7 fight and they were the champion, that there's a 8 championship clause. And we talked about that 9 several times. And then I think you said in that 10 sentence, it talks about -- because of the 11 popularity or something like that? 12 Q. Yeah. 13 A. And I think I said earlier that 14 popularity is one thing, but it's also the chance 15 to keep the investment that Zuffa's made in that 16 athlete for a short amount of time. 17 And that we would, as we talked about 18 earlier, we still got to come to a decision of do 19 they want to fight, do they want to fight within 20 that year, do they want to fight up to three times 21 during their year, what are they going to be paid? 22 So there's a lot more that goes beyond that 23 sentence. 24 Q. Was it the UFC's position in October of 25 2009 that the UFC's complete control and ownership</p>
<p style="text-align: right;">379</p> <p>1 competition so that we can put on fair matches. 2 Q. Was it the UFC's position in October of 3 2009 that the UFC typically has the right to retain 4 athletes who hold a championship title in any 5 weight class at the expiration of their contract 6 for one additional year, thereby ensuring that the 7 company continues to benefit from such a fighter's 8 potential popularity through additional promotions 9 and events. 10 Is that Zuffa's position in October of 11 2009? 12 A. That's a long sentence. There's a lot of 13 parts to that. 14 Do you want me to read these, or do you 15 want me to memorize them? 16 Q. I will read it again. 17 A. Okay. Go slow. 18 Q. The UFC typically has the right to retain 19 athletes who hold championship title in any weight 20 class at the expiration of the contract for one 21 additional year, thereby ensuring that the company 22 continues to benefit from such a fighter's 23 potential popularity through additional promotions 24 and events? 25 A. That's the same question we had a few</p>	<p style="text-align: right;">381</p> <p>1 of its content also discourages competing 2 organizations from soliciting UFC fighters by 3 restricting their ability to market prior fights 4 for promotional purposes? 5 MS. GRIGSBY: Again, objection, form. 6 THE WITNESS: Read it to me again slow. 7 BY MR. CRAMER: 8 Q. Yeah. This is the same thing. 9 A. I know it's the same one, yeah. 10 Q. 2007. In other words, two years went by 11 and the position is the same. And I'm asking 12 whether it was Zuffa's position in October of 2009 13 that the UFC's complete control and ownership of 14 its content also discourages competing 15 organizations from soliciting UFC fighters by 16 restricting their ability to market prior fights 17 for promotional purposes? 18 MS. GRIGSBY: Counsel, you just said the 19 position is the same. Again to clarify, this is 20 Deutsche Bank's position. This is Deutsche 21 Bank's -- 22 BY MR. CRAMER: 23 Q. And I'm asking whether it's Zuffa's 24 position as well, or was in October of 2009. 25 A. And I think back where we were talking</p>

25 (Pages 378 to 381)

KIRK D. HENDRICK - CONFIDENTIAL

<p style="text-align: right;">382</p> <p>1 about the May document, we talked about the fact</p> <p>2 that does Zuffa own the product, the tape of the</p> <p>3 events that it paid for and promoted and televised</p> <p>4 and paid for all those costs.</p> <p>5 And we agreed that, yes, Zuffa owns that</p> <p>6 tape. And then you're asking me, does that</p> <p>7 discourage other organizations, and I think that's</p> <p>8 where I said, I'm not sure how that piece makes</p> <p>9 sense. I don't know what you're trying to get at</p> <p>10 in that sentence.</p> <p>11 Q. Was it Zuffa's position in August of 2011</p> <p>12 that it had over 425 fighters under multi-fight</p> <p>13 exclusive contracts with marquee fighters having</p> <p>14 longer term contracts?</p> <p>15 A. Again, I'd have to look at the -- the</p> <p>16 company records to see if that number's accurate.</p> <p>17 I have no reason to believe that number is not</p> <p>18 accurate of the number of fighters under contract</p> <p>19 at that time period.</p> <p>20 Q. Under multi-fight exclusive contracts; is</p> <p>21 that accurate?</p> <p>22 A. Multi-fight meaning the term, certain</p> <p>23 amount of months, certain amount of fights within</p> <p>24 those certain amount of months, exclusive contract.</p> <p>25 Yeah, we talked about the fact that during that</p>	<p style="text-align: right;">384</p> <p>1 during that certain amount of time.</p> <p>2 Q. Was it Zuffa's position in August of 2011</p> <p>3 that most contracts are four fights or 20 months,</p> <p>4 whichever comes first, although marquee fighters</p> <p>5 typically have longer term contracts with an</p> <p>6 exclusivity clause that prevents fighters from</p> <p>7 moving to different MMA organizations while under</p> <p>8 contract and with negotiations and matching rights</p> <p>9 after the agreement expires?</p> <p>10 MS. GRIGSBY: Objection to form.</p> <p>11 BY MR. CRAMER:</p> <p>12 Q. Was that -- was that Zuffa's position in</p> <p>13 August of 2011?</p> <p>14 A. That's a long one again. You want to</p> <p>15 break it down in parts or you want me to try to go</p> <p>16 off memory?</p> <p>17 Q. Let me just ask it this way: Was it</p> <p>18 Zuffa's position in August of 2011 that it had</p> <p>19 fighters with exclusivity clauses that prevented</p> <p>20 them from moving to different MMA organizations</p> <p>21 while under contract and with negotiation and</p> <p>22 matching rights after the agreement expired?</p> <p>23 A. I think that goes back to what we were</p> <p>24 talking about earlier. During the term of the</p> <p>25 agreement, they're agreeing that they will be</p>
<p style="text-align: right;">383</p> <p>1 time period, they were agreeing that they wanted</p> <p>2 the UFC to promote them and the UFC was agreeing I</p> <p>3 will promote you during this time period.</p> <p>4 Q. And is it also Zuffa's position that it</p> <p>5 had marquee fighters with longer term contracts, at</p> <p>6 least as of August of 2011?</p> <p>7 MS. GRIGSBY: Objection to form.</p> <p>8 THE WITNESS: Yeah. I think marquee, I</p> <p>9 don't know without defining what that word is, if</p> <p>10 you're telling me that's the word in the document,</p> <p>11 I assume we're talking about more the highly</p> <p>12 compensated athletes.</p> <p>13 If that's the term, more the guys with</p> <p>14 highly compensated agreements might have had more</p> <p>15 fights under their agreement.</p> <p>16 BY MR. CRAMER:</p> <p>17 Q. Was it Zuffa's position in August of 2011</p> <p>18 that UFC athlete contracts are designed to retain</p> <p>19 talent within the company?</p> <p>20 A. I think this was the question you asked</p> <p>21 me earlier. Are they -- are they designed during</p> <p>22 that amount of time to be sure that they're</p> <p>23 available, ready, willing and able to fight for the</p> <p>24 UFC, be promoted by the UFC during that certain</p> <p>25 amount of time, and that Zuffa would promote them</p>	<p style="text-align: right;">385</p> <p>1 promoted by the UFC, but for the exceptions that we</p> <p>2 talked about for quite a while yesterday.</p> <p>3 There's certain times that athletes are</p> <p>4 allowed to go compete for another MMA organization.</p> <p>5 I don't know about that particular year. They</p> <p>6 certainly compete in other nonMMA promotions, but</p> <p>7 in general does the UFC contract have the</p> <p>8 provisions I think you just stated to me? I think</p> <p>9 that's generally accurate, yes.</p> <p>10 Q. And after the contract expires, there are</p> <p>11 negotiation and matching rights, correct, in the</p> <p>12 contracts?</p> <p>13 A. We're talking about 2011?</p> <p>14 Q. Yes.</p> <p>15 A. Yeah. I think those provisions --</p> <p>16 actually you're right, matching and -- what did you</p> <p>17 say, the right of first negotiation?</p> <p>18 Q. Yes.</p> <p>19 A. That's what I was trying to remember.</p> <p>20 There was -- there was a certain time period that</p> <p>21 there wasn't a right of negotiation. I'm not sure</p> <p>22 exactly when, but you have the documents in front</p> <p>23 of you.</p> <p>24 Q. Right. Now, you know what Moody's</p> <p>25 Investors Services is?</p>

26 (Pages 382 to 385)

KIRK D. HENDRICK - CONFIDENTIAL

<p style="text-align: right;">386</p> <p>1 A. I do, yes.</p> <p>2 Q. And did you have any involvement with</p> <p>3 Moody's Investors Services issuing credit opinions</p> <p>4 regarding Zuffa?</p> <p>5 A. Very little. I know they were doing</p> <p>6 that, but that would have been through our finance</p> <p>7 group and through our Chief Financial Officer and</p> <p>8 through Lorenzo Fertitta. And depending on the</p> <p>9 time involved, Lawrence would have had some</p> <p>10 involvement in that as well -- Lawrence Epstein.</p> <p>11 I'm sorry.</p> <p>12 Q. So Lawrence Epstein -- who was in the</p> <p>13 finance group that would have been interfacing with</p> <p>14 Moody's?</p> <p>15 A. John Mulkey from our Chief Financial</p> <p>16 Officer. I'm not sure which year you're talking</p> <p>17 about, but if it's in the same time frame we've</p> <p>18 been talking about, most likely it would have been</p> <p>19 John Mulkey.</p> <p>20 Q. Are you aware that Moody's issued a</p> <p>21 credit opinion for Zuffa in November of 2009</p> <p>22 approximately?</p> <p>23 A. Not specifically aware, but based on</p> <p>24 these other documents you showed me about the</p> <p>25 timing of the loans, I would think that sounds</p>	<p style="text-align: right;">388</p> <p>1 question relates to?</p> <p>2 MR. CRAMER: Sure.</p> <p>3 MS. GRIGSBY: I just want to note for the</p> <p>4 record. Obviously you can depose the CFO</p> <p>5 individually. You can depose Lorenzo Fertitta, the</p> <p>6 former CEO, to ask these specific questions, but I</p> <p>7 think that you're exceeding the scope of your</p> <p>8 notice.</p> <p>9 MR. CRAMER: The notice, specifically</p> <p>10 question 7 and question 10 of -- and 7 through 14</p> <p>11 more generally discuss the -- Zuffa's understanding</p> <p>12 of the effect of both the exclusivity clause in 7</p> <p>13 and the ancillary rights clauses in 10 collectively</p> <p>14 on other MMA promoters and on Zuffa.</p> <p>15 MS. GRIGSBY: But, you know, right now</p> <p>16 you're asking something about -- I think you're</p> <p>17 getting a little afield where you were talking</p> <p>18 about Zuffa's ability to obtain credit.</p> <p>19 Again, we asked -- especially, these</p> <p>20 topics are exceedingly broad. If you had something</p> <p>21 this specific in terms of like their ability to</p> <p>22 obtain credit, credit facilities, then we ask the</p> <p>23 plaintiff to identify with specificity.</p> <p>24 MR. CRAMER: Right. Well, certainly the</p> <p>25 effect of a series of contracts and clauses on</p>
<p style="text-align: right;">387</p> <p>1 about right.</p> <p>2 Q. And then another one in December of</p> <p>3 2010?</p> <p>4 A. Again, I don't recall specifically, but</p> <p>5 that sounds probably right based on the term</p> <p>6 loans.</p> <p>7 Q. Is it fair to say that Moody's credit</p> <p>8 opinions are intended to provide potential</p> <p>9 creditors with an accurate representation of</p> <p>10 Zuffa's ability to repay debts?</p> <p>11 MS. GRIGSBY: Objection, scope. How does</p> <p>12 this relate to fighter contracts, any of your</p> <p>13 topics? Name one.</p> <p>14 MR. CRAMER: Well, it has to do with the</p> <p>15 contents of what's in the Moody's documents that</p> <p>16 apparently they believe that having exclusive</p> <p>17 contracts with fighters was one of the ways that</p> <p>18 it -- Zuffa was able to show it had good credit.</p> <p>19 Q. Would you agree with that, that one of</p> <p>20 the reasons that Zuffa had good credit or was able</p> <p>21 to secure good credit was because it had long-term</p> <p>22 exclusive contracts with multiple top MMA</p> <p>23 fighters?</p> <p>24 MS. GRIGSBY: Again, can you just go back</p> <p>25 to the clause or what exactly in your topics this</p>	<p style="text-align: right;">389</p> <p>1 Zuffa and other MMA promoters includes the</p> <p>2 financial effect. What other effect would we be</p> <p>3 talking about?</p> <p>4 MS. GRIGSBY: Again, you know, if you're</p> <p>5 talking generally about the effect, it could be</p> <p>6 Zuffa's rights under the agreements. But in terms</p> <p>7 of its ability to get credit, which is really a</p> <p>8 third-party decision, I just think it exceeds the</p> <p>9 scope of the notice.</p> <p>10 MR. CRAMER: It's directly within the</p> <p>11 scope. In any event, I don't have a lot of</p> <p>12 questions about it, about Moody's, but let me just</p> <p>13 ask this question again.</p> <p>14 Q. Is it Zuffa -- is it Zuffa's view that</p> <p>15 having multiple top MMA fighters under long-term</p> <p>16 exclusive contracts was one of the things that</p> <p>17 allowed Zuffa to have good credit with both Moody's</p> <p>18 and Deutsche Bank?</p> <p>19 MS. GRIGSBY: Objection, form.</p> <p>20 THE WITNESS: I'm not sure I could sit</p> <p>21 here and say that was one of the reasons because</p> <p>22 again, I don't think I'm the right person to</p> <p>23 testify on that topic.</p> <p>24 BY MR. CRAMER:</p> <p>25 Q. Okay. Was it Zuffa's position in</p>

27 (Pages 386 to 389)